IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF NEBRASKA

In re: Chapter 11

SPECIALTY RETAIL SHOPS HOLDING CORP., et Ca

Case No. 19-80064 (TLS)

al., ¹

(Jointly Administered)

MOTION TO EXTEND OBJECTION DEADLINE TO DEBTORS' MOTION FOR APPROVAL OF A SETTLEMENT WITH MCKESSON CORPORATION INC. PURSUANT TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019

- 1. SOBEL WESTEX, INC. d/b/a BALTIC LINEN ("Sobel") is a creditor and party in interest in the above captions bankruptcy case.
- 2. On January 29, 2019, Debtor filed its *Debtors' Motion For Approval Of A Settlement With McKesson Corporation Inc. Pursuant To Federal Rule Of Bankruptcy Procedure 9019* (Filing No. 229) (the "Motion").
- 3. On January 29, 2019, Debtor filed its Fed. R. Bank. P. ("Rule") 9013, Local R. Bank. P. ("Local Rule") 9013-1, which set the objection deadline to the Motion for February 12, 2019 (or 14 days after the Motion was filed). This objection deadline is contrary to the required 21 day objection / notice period require by Fed. R. Bank. P. 9013.
- 4. When this issue was raised by Sobel, Debtor's counsel responded saying "Rule 9013-1 refers to an exception as provided in Fed. R. Bankr. P. 4001(c) and (d). That rule is applicable here and has a 14-day objection period. Thus, we set it for 14 days.".

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Specialty Retail Shops Holding Corp. (0029); Pamida Stores Operating Co., LLC (6157); Pamida Transportation, LLC (4219); Penn-Daniels, LLC (0040); Place's Associates' Expansion, LLC (7526); Retained R/E SPE, LLC (6679); Shopko Finance, LLC (1152); Shopko Gift Card Co., LLC (2161); Shopko Holding Company, LLC (0171); Shopko Institutional Care Services Co., LLC (7112); Shopko Optical Manufacturing, LLC (6346); Shopkop Properties, LLC (0865); Shopko Stores Operating Co., LLC (6109); SVS Trucking, LLC (0592). The location of the Debtors' service address is: 700 Pilgrim Way, Green Bay, Wisconsin 54304

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- 5. This is not a basis for a unilateral shortened resistance deadline.
- 6. Local Rule 9013-1 provides, "Unless otherwise ordered or otherwise provided for in a Federal Rule of Bankruptcy Procedure (see Fed. R. Bankr. P. 4001(c) and (d) and 2002(b)), upon 21 days' notice to creditors and interested parties entitled to notice, the Court will consider ruling on the motion pursuant to subsection I, unless a resistance or request for hearing is filed and served on or before the deadline provided in the notice of the motion.
- 7. In turn, Fed. R. Bank. P. 4001(c), (d) applies to: (1) motions to obtain post-petition credit; and (2) agreements relating to relief from the automatic stay, prohibiting or conditioning the use, sale, or lease of property, providing adequate protection, use of cash collateral, and obtaining credit.
- 8. It is unquestionable that the Motion, brought pursuant to Fed. R. Bank. P. 9019, is not a motion to obtain credit or an agreement relating to the automatic stay, use of property, adequate protection, cash collateral.
- 9. While Debtors will attempt to couch the Motion otherwise, Debtors' unilateral decision to shorten the objection period to the Motion is contrary to the Rules, Local Rules, and the interest of creditors.
- 10. The Motion seeks to elevate an otherwise unsecured creditor to the status of a secured creditor entitled to adequate protection and possibly entitlement to priority under 11 U.S.C. §507(b).
- 11. Sobel is a creditor similarly situated to McKesson. Sobel deserves the opportunity to fully explore its options and possible objections to the Motion, particularly since the Motion is predicated on as yet seen final cash collateral and DIP financing order. In addition, the speed at

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which Debtors seek to force this case requires the Court's oversight to protect the interest of creditors.

WHEREFORE, Sobel prays that this court extend the resistance / objection deadline to the Motion until, at least, 21 days after the Motion was file.

Respectfully submitted,

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